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2020 MAY 2 PH 12: 31 May 19, 2020

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Lindsay Daley, Clerk of the Board of Supervisors Board of Supervisors 219 E. Cherry Ave. Flagstaff, AZ 86001

Re: Petition to Form District

Dear Ms. Daley:

As we discussed, landowners in the Happy Jack area would like to form a domestic water improvement district. Their petition is enclosed.

As we discussed, A.R.S. § 48-905 sets forth the timeline to notify the public and hold a hearing on the petition. The board of supervisors must set a date for the petition hearing no later than forty days after the submission of the petition. However, the petitioners are willing to waive this timing guideline to give county staff more time to process the petition.

Further, a notice announcing the hearing and stating the boundaries of the proposed district must be published twice in the newspaper in the county. The first publication must be made no less than ten days before the hearing, and the second publication must be made a week after the first.

A.R.S. § 48-904 requires petitioners seeking to establish an improvement district to file a bond as security sufficient to pay expenses connected with formation proceedings. The statute states that the bond must be filed before the notice of the hearing to form the proposed district is published. However, this process creates undue administrative work. Therefore, we request that the Board of Supervisors either waive the bond provision or let the petitioners know of the amount of the bond when it sets the hearing. Rest assured that the petitioners are willing to pay the publication cost and similar expenses once these actual charges are known.

If you should have any questions or concerns about the petition or process, please feel free to call me.

Respectfully,

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Steve Wene

## PETITION REQUESTING THE ESTABLISHMENT OF THE STARLIGHT DOMESTIC WATER IMPROVEMENT DISTRICT OF COCONINO COUNTY, ARIZONA

The undersigned real property owners (Petitioners), as set forth in Exhibit A, hereby petition the Board of Supervisors of Coconino County, Arizona (County), to enter its final order (Resolution) forming a domestic water improvement district acting pursuant to the provisions of Title 48, Chapter 6, Arizona Revised Statutes (A.R.S.), as amended (Improvement District Act).

- 1. Petitioners propose to organize a domestic water improvement district to be named "Starlight Domestic Water Improvement District" (District).
- 2. The proposed District boundaries within the County are delineated by legal description in Exhibit B and map in Exhibit C (Property).
- 3. The District is needed to construct, acquire, operate, and maintain a domestic water system and other local improvements within the Property. The formation of the District and the construction, acquisition, operation, and maintenance of the improvements will promote public convenience, necessity and welfare. All of the Property will be benefited by these improvements, which are generally outlined in Exhibit D.
- 4. The District is wholly or partially within: (1) the boundaries of an existing service territory of a public service corporation that provides domestic water or wastewater services as defined by a certificate of convenience and necessity issued by the Arizona Corporation Commission (Commission); or (2) the boundaries of a proposed service territory of public service corporation that provides domestic water or wastewater services as defined by an application for a certificate of convenience and necessity that is pending before the Commission or that has been considered by the Commission within one year before the date this petition is filed.
- 5. The District shall be a special purpose district and a municipal corporation for all applicable purposes. These purposes consist of, but are not limited to, the purposes prescribed in § 48-909(A) as well as the related powers prescribed in A.R.S. § 48-909(B), and A.R.S. § 48-910.
- 6. Petitioners acknowledge that the formation of the District may result in the levy of ad valorem taxes, assessments, and other charges to pay the costs of improvements constructed or acquired by the District and for their operation and maintenance, and that the Property and its owners will be subject to the ordinances, resolutions, and other laws of the District. Petitioners also understand and consent that taxes may be levied on a square footage basis pursuant to A.R.S. § 48-955.
- 8. Petitioners request that the Board of Supervisors determine that the District be governed by a board of directors composed of five members and that the following qualified electors of the District be appointed as the initial board of directors: (1) John Ritter; (2) Sue Davis; (3) Jack Beale; (4) Ron King; and (5) Jeremy Westhall.
- 9. Election dates shall be the county wide general election date of each even numbered year, beginning November 2020, and terms of the applicable class shall expire on December 31 following the election.
- 10. The Petitioners represent and understand that this Petition: (1) constitutes a binding obligation; (2) has been validly authorized and executed as verified in Exhibit E; (3) requests that the Board of Supervisors establish the District boundaries in accordance with Exhibit B. and (4) meets the petition majority requirement set forth in A.R.S. § 48-903(A).